

# Introduction of **IPER** and key policy issues in the electricity sector of **MONTENEGRO**

SEERmap project meeting  
Belgrade, 22-23 of September

# Introduction of IPER (1)



- One of few economic think tanks in Montenegro, since 1993
- In 2011 licensed by the Ministry of Science as scientific-research organization
- Research areas:
  - Business Environment and Job Creation
  - Economic Reforms and Social policy
  - Regional Development
  - Energy sector
    - Focus on policies
    - Energy efficiency
- Spin-off company

# Introduction of IPER (2)

- Some of the projects relevant for the topic:
  - Policy Analysis: Poverty and Environmental Impacts of Electricity Price Reforms in Montenegro
  - Green Entrepreneurship, relevant sectors and case study analysis
  - National Strategy for Sustainable Development 2030
  - Technical Assistance to Technical Assistance to the Energy Efficiency Unit (Exergia, Greece)
  - Feasibility Study Lastva to Pljevlja - Undersea power cable between MNE and Italy (WYG International, UK)
  - Feasibility Study for Biomass District Heating System of Kolasin (Mott MacDonald)

# Introduction of IPER (3)



- Name of project participants
  - Institute for Entrepreneurship and Economic Development (IPER)
    - Mr Nikola Vujovic
    - Mr Igor Telebak
  - Ministry of Economy
    - Directorate for Energy Sector: Mr Miodrag Canovic/Ms Ana Asanovic
  - Ministry of Sustainable Development and Tourism
    - Directorate for Environment and Directorate for Climate Change TBC
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# Key policy issues in the electricity sector

- New Energy Law adopted in January 2016
- Energy Development Strategy of Montenegro by 2030
- National Renewable Energy Action Plan
- Bylaw documents which governing renewable energy sources
- Bylaw documents (methodology) which governing allowed revenue and prices of regulated entities
- Ten year investment development plans of TSO and DSO
- Three year investment plans of TSO and DSO

# Inputs to long term electricity scenarios

- Ten year investment development plans and three years investment plans of TSO and DSO
- Undersea power cable between MNE and Italy (additional investments: Substation 400/110/35 kV Lastva, Overhead line 400 kV Lastva - Pljevlja)
- RES support schemes (12 years period of status privileged producer, no balancing costs, guaranteed purchase of all production)
- 8 small HPP with status of privileged producer and finalization of construction wind plant Krnovo
- Around 17% of used hydro potential (possible HPP: Morača, Komarnica)
- Project of construction Second block of TPP Pljevlja

# Any country specific problems?

- Specificity of electricity market consumption (one consumer with 20-25% share of total consumption)
- Dynamics of policy changes is not following the dynamics of the technology improvement (i.e. feed-in tariffs, stimulatory measures for RES in general)